

RI Water Resources Board
100 North Main Street
Providence, Rhode Island 02903
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FINANCE COMMITTEE

Minutes of Meeting

February 8, 2005

Members Present: Members Absent:

Jon Schock William Penn, Chairman

Tim Brown

Dan Varin

Staff Present: Guests

Brian Riggs

Kathleen Crawley

1. CALL TO ORDER

With a quorum present, Acting - Chairman Schock called the meeting to order at 11:05 a.m.

2. APPROVAL OF MINUTES

A. A motion was made by Mr. Schock to open up comments on the

January 11, 2005 minutes. On a motion by Mr. Varin and seconded by Mr. Schock, the vote was unanimous to accept the January 2005 minutes as presented.

3. REPORTS

A. Chief Business Officer's (CBO) Report—Water Resources Board

Mr. Riggs, Chief Business Officer, noted the report is fiscal year to date through January 31, 2005. The FY 2005 appropriation is \$2,728,478, the expenditures are \$977,657 and encumbrances are \$1,172,622 with an unencumbered balance of \$578,200. The current year's January surcharge receipts were \$193,886 less than January 2004. The YTD receipts collected by the Water Resources Board show a negative variance of \$360,283 versus previous YTD collections. This amount is comprised of a negative variance of \$387,258 over previous years YTD surcharges and a positive YTD variance of \$26,975 for Big River rental income. Mr. Riggs stated that he had inserted a column to show the surcharges collected the previous January by individual water suppliers. This information confirmed that the timing of deposits was the major factor causing this large variance. Mr. Schock stated that even if these deposits were made in January the YTD total would still be negative. Mr. Riggs explained that this was due to the "wet" summer in 2004. Mr. Brown concurred. Mr. Schock questioned if the unencumbered balance of \$578,200 and the variance of expended versus YTD budgeted amount was coincidental. Mr. Riggs stated that this was the case. Mr. Varin questioned if Mr. Riggs foresaw any problems in spending the funds

before the funds are frozen. Mr. Riggs stated that he did not see this as a problem. Mr. Riggs stated that insurance, student education grants and the land use study have yet to be encumbered and that amount is approximately \$200,000. On a motion by Mr. Varin and seconded by Mr. Brown, the vote was unanimous to approve the January CBO report.

B. Chief Financial Officer's (CFO) Report—Water Resources Board Corporate

Mr. Riggs stated that the CFO Report reflects the activity on a cash basis for the month of January. One payment was made during January in the amount of \$208.40 to Konica Minolta. The interest received during the month of January was \$36.98. The Water Quality Protection Fund ended the month with a balance of \$113,196.10. Mr. Riggs reported that the Providence Project received interest of \$6.78 on investments in January. The balance in the Providence Project fund at the end of the January was \$710,851.98. Mr. Riggs stated that the Public Drinking Water Quality Protection Fund Administrative Accounts reflect interest received in January was \$1,880.78 from money market investments. The Administrative Accounts month-end balance was \$2,610,381.73. Mr. Riggs stated that the Corporate Public Drinking Water Quality Protection Fund received interest in the amount of \$7,823.64 and ended the month with a balance of \$5,002,680.68. Mr. Schock questioned if it would be possible to put the first page of the report in an excel spreadsheet. Mr. Riggs stated that this was already done on pages two and three of the report. Mr.

Varin stated that Providence is responsible for debt service payments and questioned if there were any problems with these payments. Mr. Riggs stated that he was unaware of any. Mr. Brown moved to approve the January CFO report and his motion was seconded by Mr. Varin. The vote was unanimous.

4. ITEMS FOR ACTION

A. Payment Requests

**(1) Boyer Associates – Big River Management Area Land Survey—
Payment Requested: \$41,697.50; Recommended payment: \$41,697.50.
Request for Approval (Enclosure 5 of Board)**

Ms. Crawley stated that these payments had not previously been brought before the Board but had been this time due to the fact that this is a final payment. Mr. Varin questioned if there were any more glitches with boundary lines. Ms. Crawley stated that there were. She mentioned the park and ride and some outbuildings on a farm that are on BRMA land. Mr. Schock questioned if all the angle points were monumented. Ms. Crawley stated that she believed he found more monuments than were expected. Mr. Schock questioned if they were added where needed. Ms. Crawley said she believed they were. Mr. Brown asked if there were GPS points. Ms. Crawley said she believed there were. Mr. Schock asked what the deliverables are. Ms. Crawley said that they are CD files and mylars that will be recorded in

the necessary communities. Mr. Brown stated that he believed that an attorney would be necessary to record the mylars correctly and to be sure that the book and plat numbers are received back. Ms. Crawley questioned if the Board Corporate's lawyer should be used. Mr. Varin said no due to the fact that the land was acquired by the Board. On a motion by Mr. Varin and seconded by Mr. Brown, the vote was unanimous to approve the payment of \$41,697.50 as requested.

(2) Konica Office Products for copier service agreement rendered through January 31, 2005 - Requested Payment: \$314.10; Recommended Payment: \$314.10. (Enclosure 2 of Finance)

On a motion by Mr. Brown and seconded by Mr. Varin, the vote was unanimous to approve the payment as requested.

(3) Kathleen Crawley Travel Voucher for January 2005 - Requested Payment: \$64.80; Recommended Payment: \$64.80. (Enclosure 3 of Finance)

On a motion by Mr. Varin and seconded by Mr. Brown, the vote was unanimous to approve the payment as requested.

5. ITEMS FOR DISCUSSION

(A) Rivers Council Merge

Ms. Carwley stated that she had met with the Rivers Council to discuss their budget as well as their new status as an associated function of the Water Resources Board. Mr. Varin stated that the Rivers Council has always been a state agency but that its funds were financed through legislative grants and not through appropriation. He stated that one House member in particular has supported the legislation. He stated that the amount is \$52,000. Ms. Crawley stated that she has an opinion letter from the Board Corporate lawyer that states that we can set this up any way we desire. She said that it could be set up as an entirely different program within the Board Corporate. In addition we would be responsible for some measure of compliance with the fund distributions. Mr. Brown questioned if the grant in FY 2005 is coming through the Water Resources Board. Mr. Varin stated that in FY 2005 it would be distributed through the Department of Administration. He stated that this would have to be set up for FY 2006. Ms. Crawley stated that Meg Kerr has been invited to the April meeting and that more details should be worked out by then. Mr. Varin stated that the Board must be careful to make sure that Ms. Kerr does not become a defacto employee under IRS regulations. Ms. Crawley stated that this has been taken into consideration. The staff has contacted other agencies that have similar situations to see how it is handled. Ms. Crawley questioned if Mr. Varin knew the IRS code. Mr. Varin stated that he did not remember but Mr. Brown offered that the information could be found on the IRS website.

(B) Governors Recommended Budget (Enclosure 4 of Finance)

Mr. Brown questioned the difference between the Governors recommended and the enacted. Mr. Riggs stated that the enacted level is established by the General Assembly in the previous session and the Governors recommended is the level of funding that they believe is currently needed. Mr. Brown questioned if the Governors recommend means anything. Mr. Riggs explained that the General Assembly has the final say and can modify the Governors recommended in any way it likes. Mr. Schock questioned if the Governor has taken money away from the enacted amount. Mr. Riggs stated that in some cases he has taken funds away but has added funds in other cases. Mr. Schock questioned if the decrease in personnel was due to the General Manager position not being filled. Mr. Riggs stated that this was the case but that it was taken out of classified incorrectly. It should have been taken out of non-classified. Mr. Schock questioned if it was a cut in staff. Mr. Riggs stated that there were still 9.0 FTE positions funded. Mr. Brown questioned an increase of \$12,400 in operating expenses. Mr. Riggs stated that this was funding for lead paint inspections in BRMA. Mr. Brown questioned the decrease in medical. Mr. Riggs stated that this was also due to the General Manager position. Mr. Schock requested that Mr. Riggs produce the same information with our request versus the Governors recommend. Mr. Riggs stated that he would provide this information.

6. OTHER BUSINESS

7. ADJOURNMENT

On a motion by Mr. Brown, seconded by Mr. Varin, it was unanimously approved to adjourn the meeting at 11:50 AM.

Respectfully submitted,

Jon Schock

Acting Chairman

***The full proceeding of this meeting is available on audiotape by request.**

Overseeing Body: RI Water Resources Board

Public Body: RI Water Resources Board

Public Contact Information: Connie McGreavy

Posting Date: March 11, 2005